

MEMORANDUM

11

DATE: SEPTEMBER 15, 2011 PC1450
100650

TO: CRA/LA BOARD OF COMMISSIONERS

FROM: CHRISTINE ESSEL, CHIEF EXECUTIVE OFFICER

STAFF: MARGARITA H. DE ESCONTRIAS, REGIONAL ADMINISTRATOR
DURAN VILLEGAS, PROJECT MANAGER
DORA HUERTA, ASSISTANT PROJECT MANAGER

SUBJECT: **Sylmar Court Apartments Relocation Plan and Replacement Housing Plan.**
Approval and adoption of Relocation Plan and Replacement Housing Plan for parcels at 12415-12421 San Fernando Road and 14938 Astoria Street and related action for development of the mixed-use Sylmar Court Apartments, inside and outside the Earthquake Disaster Assistance Project for Portions of Council District 7 (Pacoima/Panorama City Project Area).
EAST VALLEY REGION (CD7)

**INVESTMENT
COMMITTEE:** N/A

RECOMMENDATION(S)

The CRA/LA acknowledges and understands that the Supreme Court in the case entitled California Redevelopment Association v. Matosantos stayed certain portions of Assembly Bill x1-26 and Assembly Bill x1-27. Given the Court's stay and the uncertain status of such legislation, although the CRA/LA is, and the City Council may be, approving certain actions as described herein, to the extent that such actions are stayed then the CRA/LA shall not execute agreements or take such actions, notwithstanding their approval hereof, until the Supreme Court has decided the case on the merits or the action is no longer stayed.

That the CRA/LA Board of Commissioners take the following actions:

1. Approve and adopt the Relocation Plan for Sylmar Court;
2. Adopt a Resolution approving the Replacement Housing Plan for Sylmar Court; and
3. Acknowledge and approve the CRA/LA's implementation of the proposed Sylmar Court Project under the Cooperation Agreement for Payment of Costs Associated with certain CRA/LA Funded Capital Improvements, Public Improvements and Affordable Housing Projects, dated as of March 10, 2011, between the CRA/LA and the City of Los Angeles.

SUMMARY

The recommended actions would approve and implement the Relocation Plan and Replacement Housing Plan for the proposed Sylmar Court Apartments (“Project”). In a previous action, the CRA/LA Board of Commissioners authorized the purchase of the sites located at 12415-12421 San Fernando Road and 14938 Astoria Street (collectively the “Site”) in an amount not to exceed \$3,100,000 from Sylmar Court, L.P. (“Seller”/“Developer”), expenditures of up to \$800,000 for predevelopment expenses including site management, execution of an Exclusive Negotiation Agreement (ENA) for the proposed development of the Project, anticipated to be a 150-unit affordable housing mixed-use development that will serve seniors; and authorized expenditures of CRA/LA funds outside of the Pacoima/Panorama City Project Area (“Project Area”). The CRA/LA will acquire the Site and enter into an ENA with Developer to secure the acquisition opportunity and allow the Developer to compete for and obtain other outside funding sources. No demolition activities will occur on site less than 30 days from CRA/LA Board approval of the Replacement Housing Plan.

Upon completion of the acquisition and execution of an ENA with the Developer, the CRA/LA staff will pursue negotiation of a Disposition and Development Loan Agreement for the Project. The 150-unit mixed-use Project as contemplated would include housing affordable to Low and Moderate Income senior citizens, provide on-site amenities and ground floor commercial space targeted to serve a pharmacy and general retail uses.

PREVIOUS ACTIONS

August 18, 2011 – CRA/LA Board of Commissioners ratified City Council’s actions of August 10, 2011.

August 10, 2011 – City Council authorized CRA/LA to take various actions relating to the Sylmar Court Project (CF # 11-0763).

March 10, 2011 - City Council approval of the Cooperation Agreement with the City of Los Angeles for payment of approximately \$930,000,000 for costs associated with certain CRA/LA funded capital improvements, public improvements, and affordable housing projects located within the currently designated 31 redevelopment project areas.

DISCUSSION & BACKGROUND

Location and History

The proposed Project is planned to be developed on the 1.28 acre (56,307 square foot) Site in Sylmar that includes two separate but contiguous properties. The San Fernando Road property is comprised of four parcels (APNs 2611-007-022, 2611-007-023, 2611-007-024, and 2611-007-034) located at 12415-12421 San Fernando Road; and the Astoria Street property (APN 2611-007-035) consists of one parcel located at 14938 Astoria Street (see Attachment A – Location/Site Map). Three of the four San Fernando Road parcels are located within the Project Area and one parcel is outside the Project Area (2611-007-024); the Astoria Street parcel (2611-007-035) is located outside the Project Area. Since the Project is at least partially located outside the Project Area, a Finding of Benefit Resolution was required and approved by the Board of Commissioners on August 18, 2011.

The Site comprises two separately owned properties currently under escrow to be purchased by the Developer. The San Fernando Road property contains a closed and vacant motel and

laundromat, and one vacant two-bedroom single family home. The Astoria Street property contains one vacant three-bedroom single family home.

Description and Project Context

The Site is located in an older commercial area of Sylmar that has experienced continued deterioration and lack of new investment and development over the past five years. To effectuate the development of the Site, the CRA/LA's acquisition of the land and ENA with the Developer allows for the proposed Project to be the catalyst for redeveloping this portion of San Fernando Road. The Project, as proposed by the Developer, will be a new mixed-use development with 150 units of affordable housing targeting seniors, in one 5-story Type V building with four floors of residential over 3,461 square feet of commercial space on the ground floor on a 1.28 acre Site. The Project has received its entitlements, including a 7.4% density bonus from the City of Los Angeles, providing an extra ten (10) units to the 140 by-right units. Through the ENA, the CRA/LA will work with the Developer to refine the Project's scope, design and feasibility.

Relocation Plan

Shober Consulting, Inc. produced the attached Relocation Plan in June 2011 (see Attachment B – Relocation Plan). The purpose of the Relocation Plan is to identify the various types of relocation assistance that current residents may be eligible to receive. The Relocation Plan was prepared in accordance with all applicable local, state, and federal requirements. As of the date of the Relocation Plan, there was one (1) household living in the subject property. However, on or about July 4, 2011, the household vacated the property thus requiring Shober Consulting, Inc. to initiate the process of locating the household tenants to determine and establish their relocation benefit eligibility. The development budget approved in the August 18, 2011 action includes funds for this expense. In accordance with the CRA/LA's practice, copies of the Relocation Plan were made publicly available for thirty (30) days. Copies were posted on the CRA/LA website, sent to the Neighborhood Council, and provided to the CRA/LA Records Department.

Replacement Housing Plan

Pursuant to California Redevelopment Law, redevelopment projects that receive financial assistance are required to replace any residential units occupied by low and moderate income households that are to be removed as part of the project. Replacement units must match the bedroom count and level of affordability of the demolished units, and must be built within 4 years of removal. As required, staff has prepared the attached Replacement Housing Plan (see Attachment C – Resolution Adopting the Replacement Housing Plan) for Sylmar Court, which has been made available for public review for thirty days prior to the Board's consideration of adoption. The CRA/LA's execution of the Purchase and Sale Agreement (PSA) will not lead to the removal of any dwelling units from the Site less than 30 days from CRA/LA Board approval of the Replacement Housing Plan.

SOURCE OF FUNDS

No funding is required for this action.

PROGRAM AND BUDGET IMPACT

The recommended action is consistent with the proposed Pacoima/Panorama City FY 12 Budget and Work Program pending Council action. There is no impact on the City's General Fund as a result of this action.

ENVIRONMENTAL REVIEW

The City of Los Angeles is the lead agency for the proposed Project for purposes of CEQA. The City Planning Department, acting through its Planning Commission, adopted Mitigated Negative Declaration ENV-2009-816-MND ("MND") and approved the Project on June 24, 2010. On August 18, 2011, the CRA/LA Board of Commissioners adopted Resolution No. 7654 certifying that it has reviewed and considered the environmental effects of the project described in the City of Los Angeles Mitigated Negative Declaration ENV-2009-816-MND ("MND"), pursuant to the California Environmental Quality Act ("CEQA") Guidelines set forth in California Code of Regulations Section 15096(f). Since then, there have not been significant changes to the proposed project or its circumstances that had not already been addressed in the previously adopted MND. Therefore, no further environmental documentation is required.

AUTHORITY GRANTED TO CEO OR DESIGNEE

The following authority was granted in the August 18, 2011 CRA/LA Board action: If the PSA and the ENA are approved, the CRA/LA Chief Executive Officer or designee would be authorized to take such actions as may be necessary to carry out those agreements, including, but not limited to, executing the CRA/LA acquisition documents and the ENA and taking the following actions: (1) extending the Initial Term of the ENA by up to two additional 90 day periods for a total not to exceed one year; (2) approving revisions to the proposed project, subject the Board's approval of a disposition and development agreement with Developer; (3) negotiating and executing agreements for the clearance of the improvements on the Site, remediation of hazardous materials on the Site, and all other necessary agreements to prepare the Site for development in an amount not to exceed \$800,000; and (4) negotiating and executing relocation assistance payment in the amounts required by law.

PROJECT SUPPORT

Councilmember Richard Alarcón supports the recommended action.

Christine Essel
Chief Executive Officer

By:

Dalila Sotelo
Deputy Chief Executive Officer

There is no conflict of interest known to me which exists with regard to any CRA/LA officer or employee concerning this action.

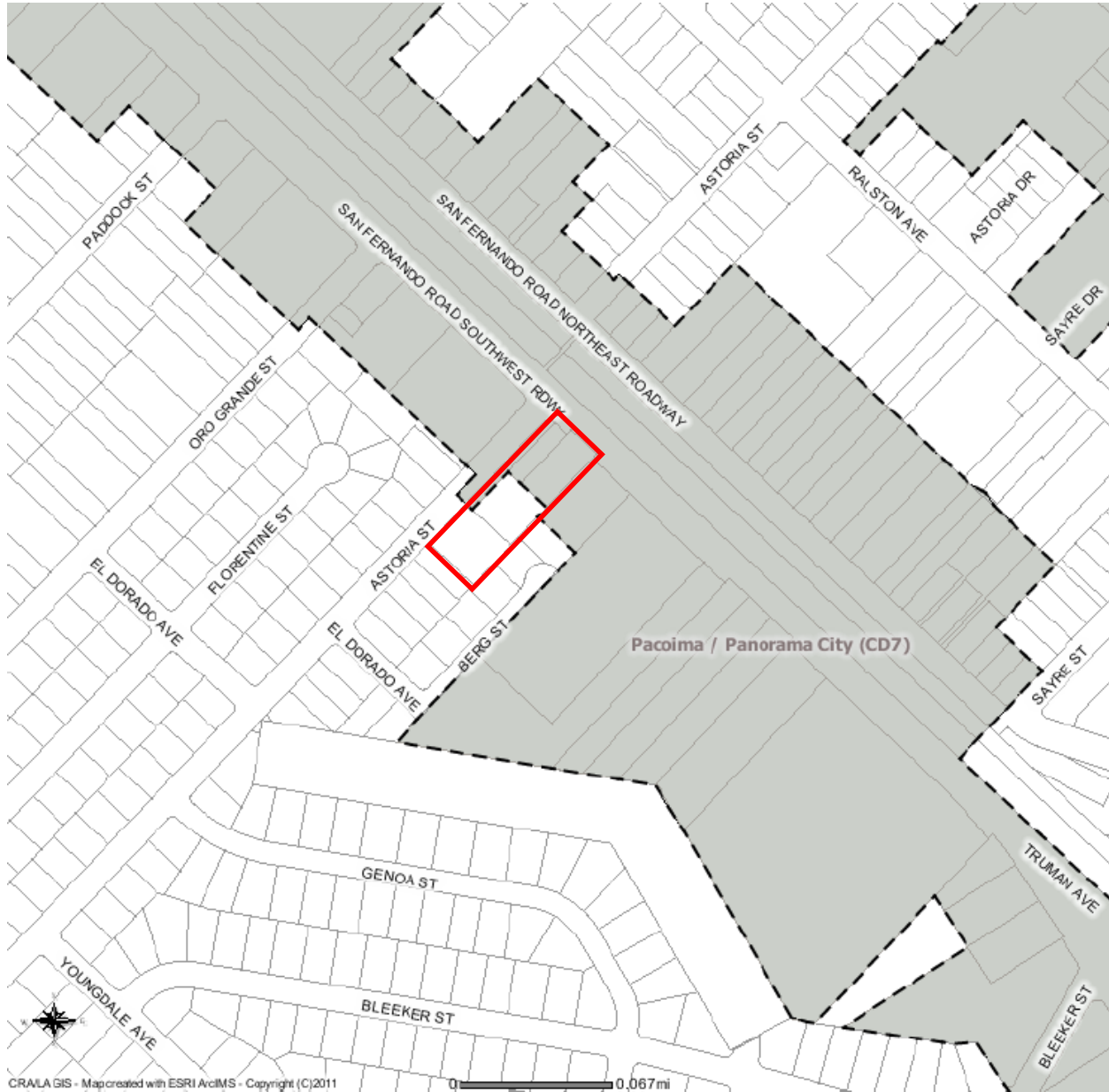
ATTACHMENTS

- Attachment A: Location/Site Map
- Attachment B: Relocation Plan
- Attachment C: Resolution Adopting the Replacement Housing Plan
- Attachment D: Project Summary Report

ATTACHMENT A

LOCATION / SITE MAP

Sylmar Court Apartments
12415 San Fernando Road and 14938 Astoria Street, Sylmar, CA 91342
CRA East Valley Region, Pacoima / Panorama City (CD7)



Location / Site Map

RELOCATION PLAN

CRA/LA's Sylmar Court Mixed Use Project



Prepared For
The Community Redevelopment Agency
Of the City of Los Angeles (CRA/LA)
1200 W. 7th St., Suite 200
Los Angeles, CA 90017

Prepared By
Shober Consulting, Inc.
June 2011

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INTRODUCTION

The Community Redevelopment Agency of the City of Los Angeles (CRA/LA) is presently assisting in a redevelopment project in the Sylmar Community in the City of Los Angeles. The project consists of a mixed-use of commercial space combined with 150 units of Senior Citizen housing.

The project, located at 12415 – 12421 San Fernando Road and 14938 Astoria Street, Sylmar, CA 91342, consists of two motel buildings of six units each, a Laundromat and a single-family residence. Both motels are completely vacant and boarded up. The Laundromat is vacant and boarded up. The single-family residence at 14938 Astoria Street is occupied by a family of five individuals.

Sylmar Court L.P., a California Limited Partnership, has opened escrow on the purchase of these properties, and will be receiving assistance from the CRA/LA as the project proceeds. This model Relocation Plan is being prepared at the request of the CRA/LA to ensure the rights of the tenant household. As of June 17, 2011, the household which occupies the rental property is in legal proceedings for nonpayment of rent. They are still in possession of the premises. The legal status will be monitored by relocation staff.

As the project proceeds, the tenants will be kept apprised of the timing of the project, and all tenants will be given the appropriate Notices, including General Information Notices (GINs), the Notices of Eligibility, where appropriate, and the formal Ninety-Day Notices to Vacate. All tenants will be assisted in the relocation program by Shober Consulting, Inc., an experienced professional relocation consulting firm.

This Relocation Plan is presented in four sections:

Section I: Consists of Project area descriptions, the general demographic information on the one (1) affected household, and the City of Los Angeles' housing profile.

Section II: Consists of survey methodology and an assessment of the aggregate relocation needs of the one (1) residential case affected as a result of the development, with explanation of how these needs are to be met, plus a Relocation Cost Estimate.

Section III: Consists of an assessment of the availability of comparable replacement housing sites within the City of Los Angeles and surrounding areas for the one (1) affected household.

Section IV: Consists of the policies and procedures the CRA/LA will follow to ensure a fair and equitable relocation program, consistent with the Federal Uniform Relocation Act (URA) and the California Health and Safety Code.

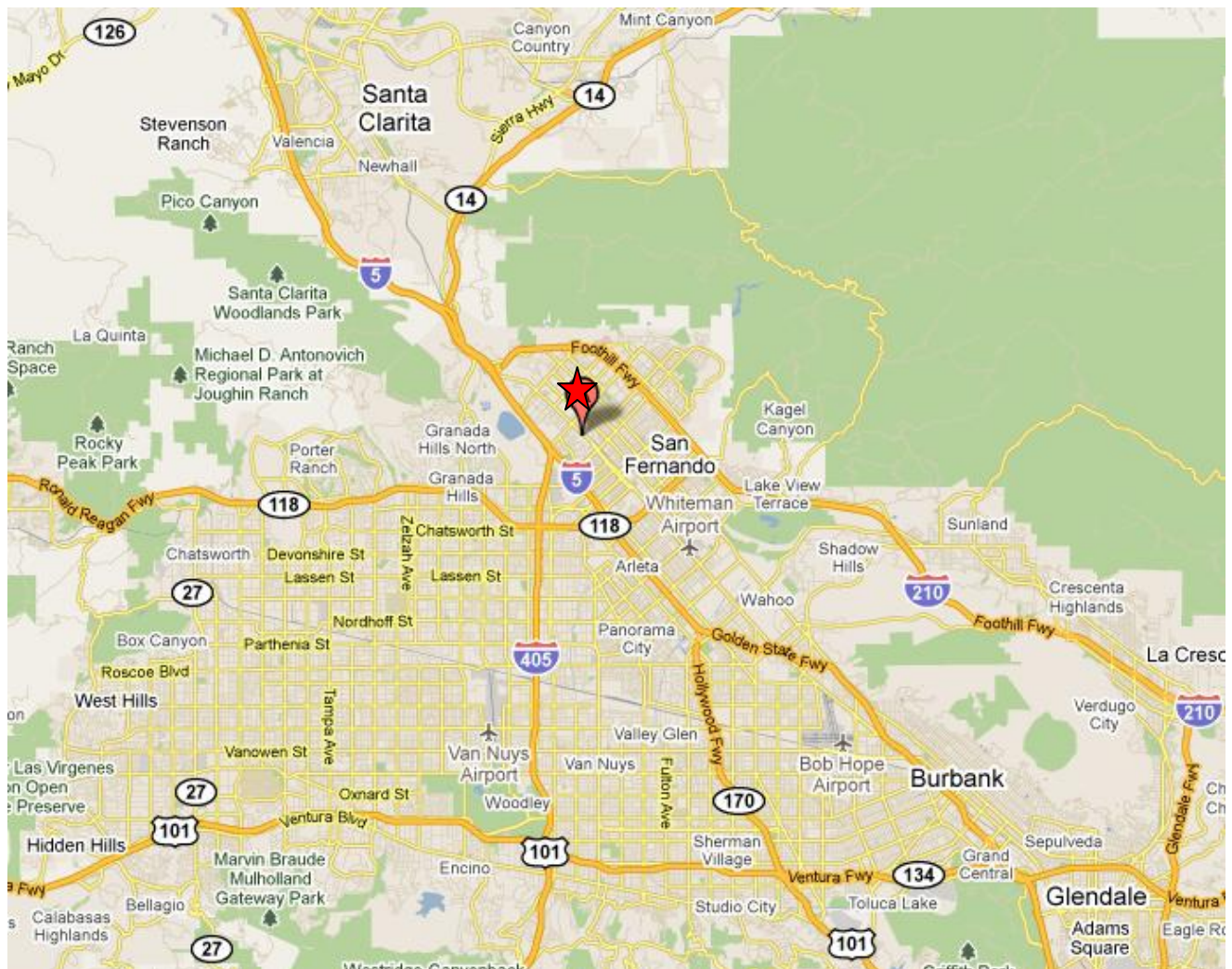
Shober Consulting prepared this requested Relocation Plan (the Plan) in accordance with the applicable provisions of the Uniform Relocation Act, and the United States Department of Housing and Urban Development (HUD) Handbook 1378.

SECTION I: PROJECT AREA DESCRIPTION

A. THE REGIONAL LOCATION

Sylmar is a district in the San Fernando Valley region of the City of Los Angeles. It is bordered by Santa Clarita to the north, San Fernando to the southeast, and Granada Hills to the west. It is served by the Golden State (Interstate 5), Foothill (Interstate 210), Ronald Reagan (State Route 118), and San Diego (Interstate 405) freeways. The map below shows the region.

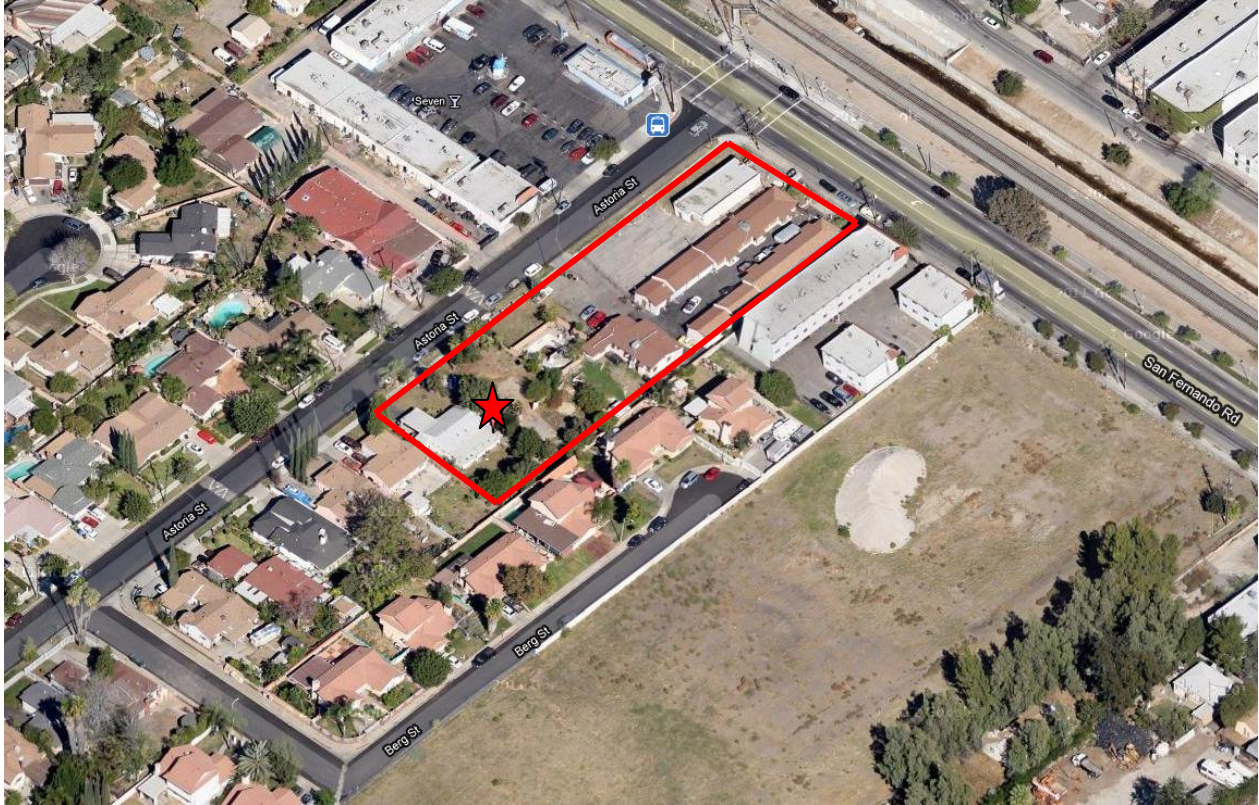
Regional Map



B. PROJECT SITE LOCATION

The project site for this development is located at 12415 – 12421 San Fernando Road and 14938 Astoria Street, Sylmar, CA 91342. The area is a largely residential area with a mixture of single homes and multi-family structures.

Project Site Map



(Project site denoted by red box)

C. GENERAL DEMOGRAPHIC INFORMATION & HOUSING PROFILE

The City of Los Angeles' 2005 - 2009 U.S. Census population estimate is 3,796,840. The 2008 population of Sylmar is estimated at 79,614. With its over 12.4 square miles (32 km²), Sylmar averages only 5,587 people per square mile; which makes it among the lowest densities in the city of Los Angeles. Like Los Angeles, Sylmar is a diverse community. According to the most recent census data, Latinos make up approximately seventy percent of the population, while whites account for about twenty-one percent. Blacks and Asians account for 4.1% and 3.4% respectively.

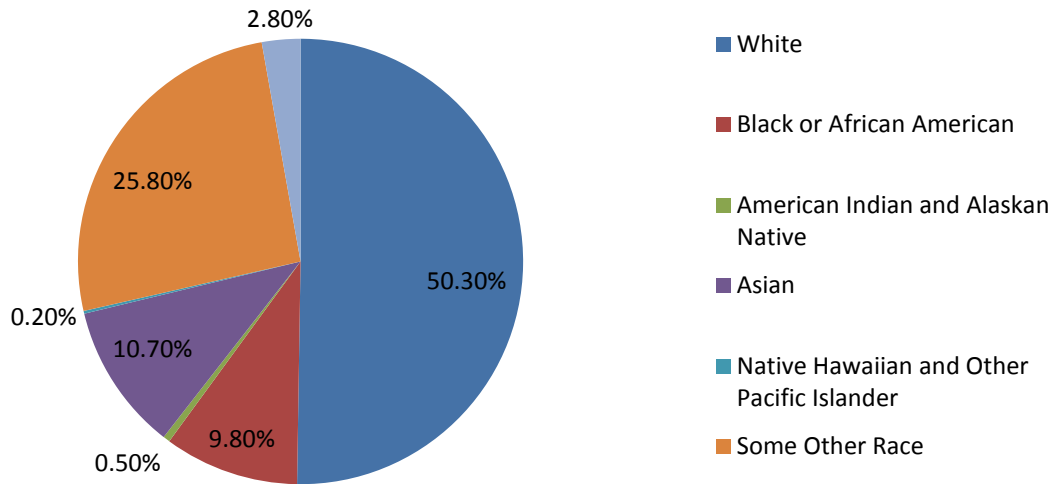
Sylmar has more home ownership relative to typical Los Angeles communities, with over 70% of residences occupied by owner. In the City of Los Angeles, the minority of

housing units (511,752) are occupied by owners (39.4%), with 786,598 units occupied by renters (60.6%) and 87,044 vacant housing units (6.3%).

Racial and Ethnic Characteristics

The table below displays the population mix as reported by the 2005-2009 U.S. Census 5-Year Estimates for the City of Los Angeles.

POPULATION - 2005-2009	
White	1,908,225 (50.3%)
Black or African American	371,325 (9.8%)
American Indian and Alaskan Native	20,153 (0.5%)
Asian	405,425 (10.7%)
Native Hawaiian and Other Pacific Islander	8,433 (0.2%)
Some Other Race	978,244 (25.8%)
Two or More Races	105,035 (2.8%)
TOTAL POPULATION	3,796,840



Source: 2005-2009 U.S. Census 5-Year Estimates

SECTION II: ASSESSMENT OF RELOCATION NEEDS

A. METHODOLOGY

Shober Consulting staff has analyzed this single relocation case with help from the existing property manager and use of available documentation.

The purpose of the analysis is to obtain tenant information. Inquiries made of residential occupants will include occupancy status, household size and composition, income and rental information, length and type of occupancy, any disabilities and/or health problems, and preferences related to replacement housing.

Survey questions and housing profile information helps determine affordability issues. Ascertaining household income is necessary in order to assess potential relocation assistance benefits. Knowledge of employment location and current proximity to needed service providers will enable relocation counselors to assist displacees in identifying appropriate relocation housing.

B. SURVEY RESULTS

1. OCCUPANCY OF RESIDENTIAL UNITS

This project has just one active household at the time of the Plan preparation. The rental rate is \$1,750 per month, for the three-bedroom single-family home.

2. HOUSEHOLD INCOME

The stated income for the household is derived from the father's retirement income of \$2,390, and his grown daughter's \$2,800 per month income. Combined, the monthly income is \$5,190, or \$62,280 yearly.

3. REPLACEMENT HOUSING NEEDS and/or ASSESSMENT NEEDS

Tenant must be relocated into units that meet the present tenancy size, so no overcrowding occurs. Currently there is no overcrowding in the unit, and we must maintain that status in the replacement dwellings.

HOUSEHOLD CHARACTERISTICS AND NEEDS

Units Size	Units at Present	Future Relocation Units Needed
Three-Bedroom	1	1

4. ETHNIC MIX

Bilingual relocation consultants conduct interviews and provide information in both English and Spanish languages. In this particular project the family is Hispanic, but also speaks English.

5. SENIOR AND DISABLED TENANTS

There is one person older than 62. There are no known physical disabilities.

6. LOCATIONAL PREFERENCES/NEEDS

Relocation staff will monitor each household's requirements and preferences and will try to accommodate the tenant's wishes when providing referrals for relocation sites. Any selected replacement site will be inspected to make it sure it meets the "decent, safe and sanitary" dwelling requirements. The daughter works in nearby West Hills, and will prefer a replacement site in a reasonable proximity to her business location.

SECTION III: HOUSING RESOURCES

1. RESIDENTIAL RESOURCES AVAILABLE

One of the primary purposes of this Plan is to demonstrate the availability of comparable and decent, safe and sanitary housing prior to the displacement of residential occupants. Naturally the market will change in terms of specific units that will be on the housing market by the time the Plan is approved. We show a recent survey of available units for purposes of reassurance that they exist and are available if needed. Our survey shows that there will be more than adequate choices for the one household in selecting replacement sites. Relocation staff will work to find suitable and appropriate sized units prior to the time of displacement activities.

To determine the availability of comparable housing prior to the displacement of residential occupants from this project, replacement housing resources were researched through the following sources during the period of June 16-20, 2011:

- a. A survey of classified rental listings of daily and weekly newspapers which serve Sylmar and the surrounding areas;
- b. Drive-by "windshield surveys" of residential units in Sylmar;
- c. Contact with real estate and property management companies serving Sylmar and surrounding communities;
- d. The use of the Internet and rental listings on websites.

We have used replacement housing sites within five miles of the subject property, which includes Sylmar, San Fernando, Arleta, Granada Hills, Mission Hills, Pacoima, and Lake View Terrace.

The table below shows that there is a wide variety of 3-bedroom units:

THREE-BEDROOM APARTMENTS AVAILABLE FOR RENT

Monthly Rental Rates	Number of Units Available
\$1,501 - \$1,550	1
\$1,551 - \$1,600	3
\$1,601 - \$1,650	1
\$1,651 - \$1,700	1
\$1,701 - \$1,750	0
\$1,751 - \$1,800	1
\$1,801 - \$1,850	1
\$1,851 - \$1,900	3
\$1,901 - \$1,950	3
\$1,951 - \$2,000	0
\$2,001 - \$2,050	1
\$2,051 - \$2,100	2
Total Number of Units	17

2. SUMMARY

Replacement housing resources show that there are ample places for the displaced tenant to relocate based on size and affordability. There are seven (7) units at a lower cost than the present rent, while the survey shows additional units available for prices within \$200 of the existing \$1,750 price of the existing rental.

SECTION IV: THE RELOCATION PROGRAM

The relocation program and assistance will be provided in accordance with the standards and provisions of the State of California Relocation Law, Government Code Section 7260, et. seq., and Title 25, chapter 6, Relocation Assistance and Real Property Acquisition, as amended January 01, 1998, and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and the implementing regulations of Handbook 1378 of the Department of Housing and Urban Development (HUD), as appropriate.

A. PROGRAM ASSURANCES, STANDARDS AND OBJECTIVES

The relocation program to be undertaken on behalf of CRA/LA will conform to the standards and provisions of the State of California Relocation Law, Government Code 7260, et. seq., and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and the implementing regulations of Handbook 1378 of the Department of Housing and Urban Development (HUD).

With these two sets of rules as guideposts, the program objectives will be as follows:

1. To fully inform eligible project occupants of the nature of, and procedures for obtaining relocation assistance and benefits.
2. To determine the needs of each residential displacee household eligible for assistance.
3. To provide an adequate number of referrals to comparable, decent, safe and sanitary housing units within a reasonable time prior to displacement and assure that no residential occupant displaced is required to move without a minimum of 90 days written notice to vacate.
4. To provide current and continuously updated information concerning comparable replacement housing opportunities.
5. To provide assistance that does not result in different, or separate treatment due to race, color, religion, national origin, sex, sexual orientation, marital status, or other arbitrary circumstances.
6. To supply information concerning federal and state housing programs and other governmental programs providing assistance to displaced persons.
7. To assist each eligible person to complete applications for benefits.
8. To make relocation benefit payments in accordance with State and HUD guidelines, including provisions of the Last Resort Housing sections, where applicable.
9. To inform all persons subject to displacement of CRA/LA's property management policies including eviction.

B. RELOCATION ADVISORY ASSISTANCE

As a function of the overall relocation assistance program, technical and advisory assistance will be provided by CRA/LA, through their relocation representative to all displacees. Relocation personnel will be capable of conducting business in either English or Spanish.

The following specific activities will occur or have already occurred in connection with preparation of this Relocation Plan and will occur in its implementation approach:

1. The one occupied household will be interviewed to gather information appropriate to determine needs and preferences with regard to the replacement of existing accommodations. Inquiries made of residential occupants by relocation personnel covered the following areas: family size, ethnic background, immigration status, age and health considerations, current employment status, family income, transportation needs, and preferences relative to replacement housing.
2. Printed "Residential Information Brochures" will be provided to all displaced persons. A Spanish residential Information Brochure will be provided to those households whose primary language is Spanish. Signed acknowledgements will be obtained to verify receipt of this material. Interviews and all follow-ups will be conducted in English or Spanish according to the needs of the resident household.
3. Field surveys have been conducted in order to identify available housing resources and, at least one – and preferably three – appropriate replacement housing referrals will be made on a timely basis, to the residential displacee. Every effort will be made to find replacement housing units which are reasonably accessible to currently utilized medical facilities, places of employment, schools, shopping areas, and public transportation.
4. As soon as feasible, the Relocation Consultant shall explain the relocation payments and other assistance for which the person may be eligible, including related eligibility requirements and the procedures for obtaining such assistance. The Relocation Consultant shall describe replacement housing recommendations and referrals upon which eligibility for assistance has been determined.
5. Assistance will be provided to complete rental application forms if needed.
6. Transportation will be provided, if necessary, for any displaced occupant to inspect replacement sites within the local area.
7. All assistance provided to displacee households will be in the primary language spoken by these households.

C. CONCURRENT RESIDENTIAL DISPLACEMENT

The CRA/LA does not have additional competing projects within five miles of the Project site for similar residential units within the area during the potential period of displacement for this project. If this changes, the CRA/LA pledges that any other project must meet the same replacement options for those affected by that project.

D. CITIZEN PARTICIPATION

The CRA/LA will encourage public knowledge and citizen participation in this project. As the project goes forward, the CRA/LA will welcome and facilitate open discussion and citizen participation.

The CRA/LA will observe its obligations under Section 6012 of the California Administrative Code, Title 25, Chapter 6, to give timely notice to all tenants and to make copies of this Plan available to the public upon request.

E. RELOCATION BENEFITS

Relocation benefits will be provided in accordance with the provisions of the California Relocation Assistance Law, and the federal Uniform Relocation Act if applicable. All tenants will be kept apprised of the progress of this Project and all tenants will be given appropriate noticing including a formal 90-Day Notice to Vacate.

Benefits will be paid to eligible displaced persons upon submission of required claim forms and documentation in accordance with specified procedures. Specific eligibility requirements and benefit plans will be detailed on an individual basis with all displacees. In the course of personal interviews and follow-up visits, each displacee will be counseled as to available options and the consequences of any choice with respect to financial assistance.

Section 104(d) applicability: This project will not trigger eligibility of 104(d) requirements. While not anticipated at this time, if it is determined that this Project has federal funding and also qualifies under the specific provisos that enact the Section 104(d) relocation benefits, CRA/LA pledges to provide these generally wider benefits. The main additional benefit is the extending of 42 months rental subsidy into 60 months of subsidy. Several unknown factors must apply for this change to be put into effect and relocation staff will closely monitor the triggering of 104(d) status. The CRA/LA pledges the implementation of such benefits if deemed applicable.

F. PROJECTED DATES OF DISPLACEMENT

This Relocation Plan was submitted to CRA/LA on June 20, 2011, for inclusion of submittals for funding sources. When the project is approved to move forward, CRA/LA will move forward for timely approval by its appropriate agencies. After approval, the tenants will be given not-less-than 90 days notice to vacate the premises. All tenants will be assisted with relocation services by Shober Consulting staff.

G. ESTIMATED RELOCATION COSTS

The CRA/LA will be using a variety of financing sources for its Sylmar Court Mixed-Use Project. The organization reserves the right to change, augment or modify the sources of funding for this Project. The CRA/LA pledges that all the normal and required relocation expenses will be paid to the displacees in a prompt and timely manner. Relocation benefits will include a Fixed Moving Payment (FMP) option for those tenants on site at time of eligibility, as well as a possible Rental Assistance Payment (RAP) for each of the tenants who qualify for this additional payment.

The household tenants will be eligible for both a moving payment and potential Rental Assistance. Because the tenants occupy a single-family dwelling, we anticipate a possible actual move by a professional moving firm. This estimate is \$5,500.

The tenants may also qualify for relocation benefits. For purposes of this Cost Estimate, we anticipate relocation costs to approximate the following:

a. Professional cartage move:	\$5,500.00 =	\$5,500.00
b. "Worst-case scenario" for one (1) Rental Assistance Payment (RAP):	\$400.00 x 42 Months =	\$16,800.00

Estimated Cost of Relocation Benefits:	\$22,300.00
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The exact amount may vary, if subsequent documentation of timing of tenancy and income amounts differ. We do not have verified income data for all tenants at this time.

SECTION V. SUMMARY

The Relocation Plan clearly shows there are adequate places for this household in appropriately sized replacement units in Sylmar and its immediate environs. The CRA/LA pledges the time, money, and effort to ensure a successful relocation program. The CRA/LA takes seriously its responsibilities to assist each tenant to relocate with a minimum of inconvenience, anxiety, and disruption. The Housing Resource Study shows an ample number of replacement sites that will be utilized to assure an affordable transition.

SYLMAR COURT REPLACEMENT HOUSING PLAN

I. INTRODUCTION

The Redevelopment Plan (the "Redevelopment Plan") for the Earthquake Disaster Assistance Project Area for Portions of Council District 7 (the "Project Area") was prepared by the Community Redevelopment Agency of the City of Los Angeles, California ("CRA/LA") and adopted by the Los Angeles City Council on November 17, 1994 by Ordinance Number 170156. Pursuant to State Law (Health and Safety Code Section 33413(a)), whenever dwelling units housing persons and families of low or moderate income are destroyed or removed from the low- and moderate-income housing market as part of a redevelopment project that is subject to a written agreement with the agency (agency shall refer to CRA/LA) or where financial assistance has been provided by the agency, the agency shall, within four (4) years of the destruction or removal, rehabilitate, develop, or construct, or cause to be rehabilitated, developed or constructed, for rental or sale to persons and families of low and moderate income, an equal number of replacement dwelling units that have an equal or greater number of bedrooms as those destroyed or removed units at affordable housing costs within the territorial jurisdiction of the agency. The replacement dwelling units shall be available at affordable housing costs and constructed in accordance with all the provisions of the Community Redevelopment Law, and the Redevelopment Plan. Units to be removed or vacant for less than five years, formerly housing persons or families of low or moderate income, shall also be replaced according to the stipulations above and shall be available and affordable to persons or families of the same income categories as those who previously occupied the removed dwelling units. This requirement is separate from the requirement for residential relocation.

This document constitutes the Replacement Housing "Plan" for the "Sylmar Court" project ("Site"). The Plan will guide and facilitate the designation, rehabilitation or construction of replacement housing for persons or families of low/moderate income in accordance with the requirements of the Redevelopment Plan and Sections 33413 and 33413.5 of the Health and Safety Code.

Section 33413.5 of the Health and Safety Code requires that not less than 30 days prior to the execution of an agreement for acquisition of real property, or the execution of an agreement for the disposition and development of property, or the execution of an owner participation agreement, which agreement would lead to the destruction or removal of dwelling units from the low- and moderate-income housing market, the agency shall adopt by resolution a replacement housing plan. For a reasonable time prior to adopting a replacement housing plan by resolution, the agency shall make available a draft of the proposed replacement housing plan for review and comment by the project area committee, other public agencies and the general public.

The Replacement Housing Plan shall include (1) the general location of housing to be designated, rehabilitated, developed or constructed pursuant to Section 33413, (2) an adequate means of financing such rehabilitation, development or construction, (3) a finding that the replacement housing does not require the approval of the voters pursuant to Article XXXIV of the California Constitution, or that such approval has been obtained, (4) the number of dwelling units housing persons and families of low- or moderate-income planned for construction or rehabilitation, and (5) the timetable for meeting the plan's relocation, rehabilitation, and replacement housing objectives.

The proposed site for the Sylmar Court project is located in the Project Area. The total development site is approximately 56,000 square feet and located at 12415-12421 San Fernando Road and 14938 Astoria

Street in Los Angeles, California ("Site"). The Borrower and legal owner of the Site will be Sylmar Court, L.P. which is a single purpose development entity with the purpose of constructing the project ("Developer"). The Developer intends to develop the Site by constructing a five story apartment building providing 150 units consisting of one- and two-bedroom apartments with ground floor commercial, which will be income restricted to seniors earning between 50% and 60% of AMI, with one apartment set aside as a Manager's unit. In order to develop the site, the Developer intends to remove two existing single family units on site and replace them with two units located at 9246 Tobias Avenue and 9247 – 9257 Van Nuys Boulevard in Los Angeles. Income qualified seniors displaced from their dwelling units by the Sylmar Court project shall receive priority for occupancy in the "Replacement Dwelling Units" (defined below).

A Relocation Plan for the Project was prepared and has been reviewed and recommended for approval by CRA/LA staff. At the time the Relocation Plan was prepared, the relocation consultant surveyed a total of 2 occupied tenant households. The CRA/LA staff has provided the Relocation Plan to the Los Angeles Housing Department (LAHD), the CRA/LA web site, and the CRA/LA Records Department for the mandatory 30 day public review period.

II. GENERAL DEFINITIONS

The following definitions will govern the meaning and interpretation of this Plan unless the context otherwise requires:

- A. "**Affordable Rent**" shall have the same meanings as defined by the Health and Safety Code and other state and local laws and regulations pertinent thereto.
- B. "**CRA/LA**" means The Community Redevelopment Agency of the City of Los Angeles, California.
- C. "**City**" means the City of Los Angeles, California.
- D. "**Plan**" means this Replacement Housing Plan.
- E. "**Project Area**" means the area included within the boundaries of the Earthquake Disaster Assistance Project Area for Portions of Council District 7.
- F. "**Redevelopment Plan**" means the Redevelopment Plan for the Earthquake Disaster Assistance Project Area for Portions of Council District 7.
- G. "**Replacement Dwelling Unit**" means a dwelling unit rehabilitated, developed or constructed in replacement of a dwelling unit destroyed or removed from the low or moderate income housing inventory by the CRA/LA and which is decent, safe and sanitary, and contains at least the same number of bedrooms and other living areas as the dwelling unit destroyed or removed by the CRA/LA. The replacement dwelling unit may be for rental or for-sale.
- H. "**Site**" means the real property for the Sylmar Court project at 12415-12421 San Fernando Road and 14938 Astoria Street in Los Angeles, California.

I. The “**Project**” means the future designation of two units that will be deed restricted as affordable within the Tobias Terrace project located at 9246 Tobias Avenue and 9247 – 9257 Van Nuys Boulevard in Los Angeles.

III. PURPOSE OF THE PLAN

The CRA/LA proposes to implement the Redevelopment Plan by assisting in the construction of a new construction project that will provide one hundred fifty (150) units of senior affordable housing.

The existing structures located on the Site consist of an abandoned motel, an abandoned laundromat building, and two occupied residential units. The existing residential units will be removed and replaced with two replacement units that have an equal or greater number of bedrooms. Priority for occupancy are established as follows, and may be updated by the CRA/LA Housing Policy: 1) Seniors relocated from the existing units have first priority to return to the Project provided they are income qualified; 2) those income qualified seniors previously displaced by CRA/LA development activities shall also be given priority in the tenant selection process; and 3) after displacees, the households in any one or more of the following categories shall be given priority in selection for occupancy of CRA/LA-assisted units: (i) those paying more than 50% of their income for housing; (ii) those living in overcrowded or seriously substandard conditions, especially housing which has been cited by the City for health and safety code violations; (iii) those in danger of imminent displacement as a result of CRA/LA action in cases where the property owners agree not to re-rent the unit; and (iv) homeless households. Thereafter, occupancy shall be provided as set forth in an Affirmative Marketing Plan required for each project.

In order to preserve the supply of affordable housing, the CRA/LA will record affordability deed restrictions on the replacement dwelling units at the Project for not less than 55 years. The following Table 1 lists the actual two units to be removed while Table 2 identifies those units that will serve as replacement units.

Table 1 Current Dwelling Units To Be Removed

HCD AMI	Type Unit	Units	Total Bedrooms
<i>Units to be removed: 12415-12421 San Fernando Rd; 14938 Astoria St.</i>			
50% AMI (Very Low)	Two Bedroom	1	2
50% AMI (Very Low)	Three Bedroom	1	3
Total		2	5

Table 2 below lists the planned replacement units which will provide two 3-bedroom units within the larger Tobias Terrace new construction project at comparable affordability levels.

Table 2 Planned Replacement Units

Address/HCD AMI	Type Unit	Units	Total Bedrooms
Units to be replaced: 9246 Tobias Ave and 9247–9257 Van Nuys Blvd.			
50% AMI (Very Low)	Three Bedroom	2	3
Total		2	6

At the time the Plan was prepared, the two units scheduled for removal were occupied by households with Very Low incomes. Permanent relocation of all occupied households will be conducted by the Developer in accord with State and Federal guidelines, under the assumption that the Project will receive State and Federal funding.

IV. GENERAL LOCATION OF HOUSING

The location of the designated replacement dwelling units will be at the Tobias Terrace new construction project at 9246 Tobias Avenue and 9247-9257 Van Nuys Boulevard in Los Angeles, California.

V. METHOD OF FINANCING

The CRA/LA is authorized to finance projects developed under replacement housing plans with the assistance of the City of Los Angeles, the Federal Government, the State of California, tax increment proceeds, or other available resources.

The anticipated funding for the replacement housing units will be a combination of State funds, Federal funds, CRA/LA housing funds and developer equity.

VI. FINDING THAT THE REPLACEMENT HOUSING DOES NOT REQUIRE APPROVAL UNDER ARTICLE XXXIV OF THE CALIFORNIA CONSTITUTION

It is hereby found and determined that the replacement housing under this Plan does not require approval of the voters pursuant to Article XXXIV of the California Constitution.

By its terms, Section 2 of Article XXXIV of the California Constitution is only applicable if the project to be developed, constructed, or rehabilitated is to be a low rent housing project as defined in Article XXXIV. The Project is not a “low-rent housing project” as defined in Article XXXIV because the replacement housing units are being developed to replace dwelling units previously or currently occupied by lower-income households. Therefore, the proposed replacement housing does not require the approval of the voters pursuant to Article XXXIV. Additionally, Article XXXIV is only applicable if a “state public body” [which includes the Agency] develops, constructs, or acquires a “low rent housing project.” However, California Health and Safety Code § 37001.5(e) excludes the following Agency activity from the definition of “develop, construct, or acquire”:

“Provides assistance to a low-rent housing project and monitors construction or rehabilitation of such project and compliance with conditions of such assistance to the extent of: (1) carrying out routine governmental functions; (2) performing conventional activities of a lender; (3) imposing constitutionally mandated or statutorily authorized conditions accepted by a grantee of the assistance.”

Under this Replacement Housing Plan, the Agency will only assist the Project to the extent allowed by California Health and Safety Code § 37001.5(e). Thus, based on the above facts it is hereby found and determined that the Project is exempt from the requirements of Article XXXIV.

VII. TIME FRAME FOR DEVELOPMENT OF THE REPLACEMENT HOUSING

The following anticipated dates apply to the replacement dwelling units. The two units to be replaced are anticipated to be demolished in December, 2011.

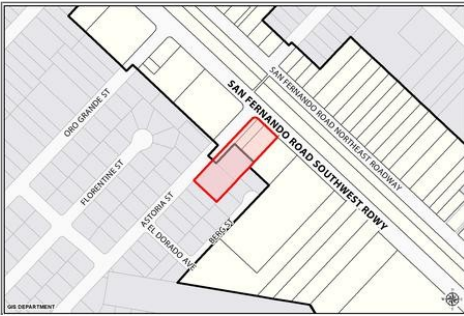
Project	Removal of Units	Completion Date
Sylmar Court; units to be replaced in the Tobias Terrace project	December, 2011 (Sylmar Ct.)	June, 2013 (Tobias Terrace)

The replacement dwelling units will be constructed within the four-year period as required by State Law.

VIII. CONSULTATION

Pursuant to California Redevelopment Law (Health and Safety Code Section 33413.5), the draft Plan has been made available for review and comment by the general public and relevant public agencies.

EAST VALLEY REGION



Maps created by CRA/LA GIS Team

PACOIMA/PANORAMA CITY

SYLMAR COURT APARTMENTS

Board Item Number:

Board Date: 9/15/2011

Project Location

Primary Address:
12415 San Fernando Road, Sylmar, CA 91342

Secondary Address:
14938 Astoria Street, Sylmar, CA 91342

Location Description:
APNs: 2611007022, 023, 024 and 34, and 2611007035

Sustainable Elements

- Controllable Lighting Systems
- Energy Reductions beyond Title 24
- EnergyStar Appliances
- Improved Indoor Air Quality
- Materials Conservation and Reuse
- Native landscaping
- On-site Storage Area for Recyclable Materials

LEED® Attainment Level, Type

Certified, Compliant

Community Benefits

- Attract other investment to the area
- Beautification of commercial corridor
- Catalytic project
- Construction Local Hiring
- Creation of Affordable Housing
- Development of underused lot
- Economic Revitalization
- Elimination of Blight
- Improve Image of Area
- Improve overall attractiveness of the area
- Improves the economic vitality of the area
- Increase Commercial / Retail Shopping Opportunities
- Living Wage Jobs
- Make business more attractive to the community
- Neighborhood serving retail
- Neighborhood Stabilization
- Prevailing Wage Jobs
- Revitalize key commercial corridor

Strategic Plan Goals Met

- 1.1.1 - Create 40,000 construction career-path jobs.
- 1.1.2 - Invest in projects and programs to provide 2,000 family-supporting permanent jobs.
- 2.1.1 - Complete construction of at least 5,500 units of affordable housing in Redevelopment Project areas.

CRA/LA Policies Applied

CRA/LA Policies Not Applied

Not Applicable to the Project

- Housing Policy, Land Acquisition
- Public Art Policy, Land Acquisition
- Construction Careers & Project Stabilization, Land Acquisition
- Construction Jobs Local Hiring Program, Land Acquisition
- Contractor Responsibility, Land Acquisition
- Contractor / Service Worker Retention, Land Acquisition
- Equal Benefits, Land Acquisition
- Living Wage, Land Acquisition
- Prevailing Wage, Land Acquisition
- Labor Peace Agreement, Not a hotel project.
- Child Care, Land Acquisition
- Sustainability Consultation Program (Part of CRA/LA Healthy Neighborhoods Policy), Land Acquisition

Proposed CRA/LA Action

Sylmar Court Apartments Relocation Plan and Replacement Housing Plan. Approval and adoption of Relocation Plan and Replacement Housing Plan for parcels at 12415-12421 San Fernando Road and 14938 Astoria Street and related action for development of the mixed-use Sylmar Court Apartments, inside and outside the Earthquake Disaster Assistance Project for Portions of Council District 7 (Pacoima/Panorama City Project Area).

Additional Information

N/A

Elected Officials

- Council District 7, Richard Alarcon
- County Supervisor District 3, Zev Yaroslavsky
- State Senate District 20, Alex Padilla
- Congress District 28, Howard L. Berman
- Assembly District 39, Felipe Fuentes

Project Description

Land acquisition and Exclusive Negotiating Agreement for the development of a 150-unit affordable senior mixed-use development project with 3,461 square feet of ground floor commercial space. Project to be developed through a DDLA, subject to developer/borrower securing financing.

Project Type

Mixed Use

Construction Category: New Construction

Type of Housing: Rental Housing

Project Features:

- Affordable Housing
- Apartments
- Balconies
- Community Room
- Mixed Use
- Recreation Room
- Retail

Developer / Participant(s)

Developer: DDCM, Inc.

Legal Owner / Borrower: Sylmar Court, L.P.

CRA/LA Project Staff

- Margarita De Escontrias, Regional Administrator
- Steven Brady, Sr Real Estate Develop Agent
- Margarita De Escontrias, Regional Administrator II
- Gerald Gubatan, Sr Planner
- Ellen Alderman Comis, Sr Housing Finance Officer
- Dora Huerta, Assistant Project Manager
- Duran Villegas, Project Manager

Project Activities

Completed Activities:

- Deal Points Meeting, 05/16/11
- Hire Consultant, 05/31/11
- Agenda Review, 06/21/11
- Investment Committee, 06/24/11
- City Council Action, 08/10/11
- Board Action, 08/18/11

STATISTICS AT A GLANCE

Total Project Size (sq ft):	151,730
Commercial - Retail (sq ft):	3,461
Common Area (sq ft):	1,563
Community Room (sq ft):	2,500
Residential (sq ft):	144,206
Estimated Jobs Created:	
Construction Jobs (est.):	187
Permanent Jobs (est.):	11
Total Development Costs (TDC):	\$35 million
CRA/LA Investment:	\$4 million
CRA/LA Investment % of TDC:	11.2%
Total Housing Units:	150
Market Rate:	1
Manager's Unit(s):	0
Total Affordable Housing Units:	149
HCD Very Low Income Units:	0
HCD Low Income Units:	42
HCD Moderate Income Units:	107
Undetermined Affordable Units:	0
Total Development Cost Per Unit:	\$232,233
CRA/LA Investment Per Restricted Unit:	\$26,174